SPHERE OF INFLUENCE UPDATE AND MUNICIPAL SERVICE REVIEW

NIPOMO COMMUNITY SERVICES DISTRICT

INITIAL STUDY

Prepared by:

SAN LUIS OBISPO LOCAL AGENCY FORMATION COMMISSION

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I. INTRODUCTION AND PURPOSE

This Initial Study assesses the potential environmental impacts associated with the proposed Sphere of Influence (SOI) Update and Municipal Services Review for the Nipomo Community Services District (NCSD). Together with the Environmental Impact Report, other studies prepared for this project, and other environmental documents incorporated by reference, this analysis will serve as the environmental review for the proposed project. This review is required by the California Environmental Quality Act of 1970 (CEQA) as amended (Public Resources Code Section 21000 et. seq.) and the State CEQA Guidelines as well as Guidelines for the Implementation of CEQA adopted by the San Luis Obispo Local Agency Formation Commission.

The Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000 (CKH) requires the Local Agency Formation Commission (LAFCO) to update the Spheres of Influence for all applicable jurisdictions in the County. A Sphere of Influence is defined by Government Code 56425 as "a plan for the probable physical boundary and service area of a local agency or municipality." The Act further requires that a Municipal Service Review be conducted prior to or in conjunction with the update of a Sphere of Influence. As part of their decision-making process, LAFCO is required to review and consider the potential environmental effects that could result from the proposed Sphere of Influence Update and Municipal Services Review.

Section 15060 of the State CEQA Guidelines states that "If the lead agency can determine that and EIR will be clearly required for a project the agency may skip further initial review of the project and begin work directly on the EIR process described in Article 9, commencing with section 15080." For this project, LAFCO is choosing to complete this Initial Study to assist in the preparation of an EIR consistent with CEQA Guidelines Section 15063 (c)(3)(A-D) for the following reasons; to focus the EIR on the effects determined to be significant, identify impacts determined to not be significant, explaining the reasons that potentially significant impacts would not be significant, and determining if a program EIR, teiring, or another appropriate process can be used for analysis of the projects environmental effects.

This Initial Study has been prepared in a manner that provides complete and adequate California Environmental Quality Act coverage for all actions and approvals associated with the proposed project. These actions include approval of the proposed Sphere of Influence Update and Municipal Service Review for the Nipomo Community Services District and certification of this Initial Study and Environmental Impact Report.

This Initial Study begins with Section 1. Introduction and Purpose, which provides an introductory discussion of the purpose and scope of the document. Section 2. Project Description describes the proposed Sphere of Influence Update and Municipal Service Review for the District. Section 3. Environmental Setting provides an overview description of existing environmental conditions within and in the vicinity of the project area.

Section 4. Environmental Evaluation contains the environmental checklist required by Section 15063(d)(3) of the State CEQA Guidelines. This checklist is intended to determine the nature and extent of various environmental effects of the proposed project followed by an explanation to justify the determination. In many instances, project impacts are identified as "no impact" or "less than significant impact." The summary discussion following the checklist item provides the basis for this determination. Checklist items identified as "potentially significant unless mitigation is incorporated" or "significant impact" are discussed in greater detail in Section VI. Impacts and Mitigation Measures. Section VII. Environmental Determination makes the final determination as to whether a Negative Declaration, Mitigated Negative Declaration or Environmental Impact Report is appropriate.

Section 15150 of State CEQA Guidelines permits and environmental document to incorporate by reference other documents that provide relevant data to the proposal currently being considered. The following documents are hereby incorporated by Reference; The Draft Sphere of Influence Update and Municipal Service Review, South County Area Plan Inland Portion, Final Environmental Impact Report, Office of the Environmental Coordinator, County of San Luis Obispo, May 1991, San Luis Obispo County Regional Transportation Plan, Draft Environmental Impact Report, Rincon Consultants, Inc., September 2001, San Luis Obispo County General Plan Land Use Element and Circulation Element, South County Plan, San Luis Obispo County Department of Planning and Building, May 2002, The Woodlands Specific Plan, County of San Luis Obispo Department of Planning and Building, December 1998, Woodlands Specific Plan Final Environmental Impact Report, Environmental Science Associates, September 1998, Nipomo Community Services District Report and Financial Statements for the Year Ended June 30, 2002, Carlos J. Reynoso, CPA, Nipomo Community Services District Reports and Financial Statements for the Years Ended June 30, 2000 and 1999, Carlos J. Reynoso, CPA, Nipomo Community Services District Report and Financial Statements for the Year Ended June 30, 2001, Carlos J. Reynoso, CPA, Nipomo Community Services District Operating and Non-Operating Budgets, Fiscal Year 2002-2003, Nipomo Community Services District Operating and Non-Operating Budgets, Fiscal Year 2001-2002, Nipomo Community Services District Operating and Non-Operating Budgets, Fiscal Year 2000-2001, Nipomo Community Services District Water and Sewer Replacement Study, Boyle Engineering Corporation, January 2000, Nipomo Community Services District Water and Sewer System Master Plan 2001 Update, Boyle Engineering Corporation, March 2002, Nipomo Community Services District Sewer System Atlas, January 2002, Nipomo Community Services District Water System Atlas, December 2001, Evaluation of Water Supply Alternative, Final Report, Kennedy/Jenks Consultants, October 2001, Water Resources of the Arroyo Grande – Nipomo Mesa Area, State of California, The Resources Agency, Department of Water Resources, Southern District Report, 2002, and The State Water Project Delivery Reliability Report, Department of Water Resources, Bay-Delta Office, 2002.

Pertinent material from these documents is summarized throughout the Initial Study and Environmental Impact Report where information from these documents is relevant to the analysis of potential project impacts. All documents incorporated by reference are available for review at the San Luis Obispo Local Agency Formation Commission..

This Initial Study provides an objective discussion of the potential environmental impacts of the proposed Sphere of Influence Update and Municipal Service Review for the District. In preparing this document, the San Luis Obispo Local Agency Formation Commission decision-makers, staff and members of the public will be fully informed as to the potential impacts and required mitigation measures associated with the proposed project. In accordance with Section 15021 of the State CEQA Guidelines, this document is intended to enable the San Luis Obispo Local Agency Formation Commission, as Lead Agency, to evaluate these environmental impacts and mitigation measures in their consideration of the proposed project. The Lead Agency has an obligation to balance possible adverse effects of the project against a variety of public objectives, including economic, environmental and social factors, in determining whether the project is acceptable and approved for development.

Pursuant to California Public Resources Code 21082.1, the San Luis Obispo Local Agency Formation Commission has independently reviewed and analyzed the information contained in this Initial Study prior to its consideration and certification. The conclusions and discussions contained herein reflect the independent judgment of the San Luis Obispo Local Agency Formation Commission to those issues at the time of publication.

This Initial Study assesses the potential environmental impacts and identifies appropriate mitigation measures for the potential impacts associated with the proposed Sphere of Influence Update and Municipal Service Review.

A. PROJECT SUMMARY

The Sphere of Influence Update prepared for the Nipomo Community Services District is an important tool utilized in implementing the Cortese-Knox-Hertzberg Act. An SOI is defined by Government Code 56425 as "...a plan for the probable physical boundary and service area of a local agency or municipality..." . The SOI represents an area adjacent to the service area of a jurisdiction where development might be reasonably expected to occur in the next 20 years. The SOI does not define or identify specific development projects, change or modify zoning, or grant land use entitlements. In order for a property to be annexed into the District, the property is required to be inside the Sphere of Influence.

The CKH Act further requires that a Municipal Service Review be conducted prior to or, in conjunction with, the update of a Sphere of Influence. The CKH Act requires LAFCO to update the Spheres of Influence for all applicable jurisdictions in the County within five years or by January 1, 2006.

The Sphere Update is based upon the Municipal Service Review completed for Nipomo Community Services District by the Local Agency Formation Commission. The Service Review analyzes the jurisdiction's capability to provide public services to existing and future residents. The SOI update and Service Review were prepared to meet the requirements of the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000. In order to evaluate the areas that might be included in the SOI, eight study areas were identified based on a draft SOI map submitted by the NCSD.

B. DETERMINATION

It has been determined that establishing the SOI for the Nipomo Community Services District will have a significant effect on the environment and a Program Environmental Impact Report is appropriate for this project. This Initial Study is prepared to help focus on the environmental impacts that may be associated with a SOI expansion.

A Program EIR in a first-tier environmental document which, according to Section 15168 of the State CEQA Guidelines, is prepared for an agency program or series of actions that can be characterized as one large project. Typically, such a project involves actions that are closely related either geographically or temporally. Program EIRs are also prepared for agency plans, policies or regulatory programs. Program EIRs generally analyze broad environmental effects of the program with the acknowledgement that site-specific environmental review may be required for particular aspects or portions of the program when those aspects are proposed for the implementation.

A State or local agency should, according to Section 15168(a) of the State CEQA Guidelines, prepare a Program EIR rather than a Project EIR when the agency proposes a program or series of related actions that are linked geographically, are logical parts of a chain of contemplated events, rules, regulations, or plans that govern the conduct of a continuing program or are individual activities carried out under the same authorizing statutory of regulatory authority and having generally similar environmental effects that can be mitigated in similar ways. The proposed Sphere of Influence Update and Municipal Services Review is considered to be a project that fits these criteria.

Once a Program EIR has been prepared, subsequent activities within the program must be evaluated to determine whether an additional CEQA document needs to be prepared. If a subsequent activity would have effects that are not within the scope of the Program EIR, the Lead Agency must prepare a new Initial Study leading to either a Negative Declaration, Mitigated Negative Declaration or an EIR. In this case, the Program EIR still serves a valuable purpose as the first-tier environmental analysis. The Program EIR can be incorporated by reference into the subsequently prepared document to address program wide issues, such as cumulative impacts and policy alternatives, allowing the subsequent environmental document to focus on new or site-specific impacts.

Program EIRs are typically more conceptual and abstract than Project EIRs; a Program EIR may contain more general discussions of impacts, alternatives and mitigation measures. In developing a Program EIR, the Lead Agency (LAFCO) must attempt to anticipate likely future scenarios that could develop under the program. Once a reasonable range of assumptions about the future projects is developed, the Lead Agency is obligated to generally evaluate potential impact methods used for more project-specific EIRs. A Program EIR is considered to be a useful tool for evaluating community-wide and regional impacts, similar to those associated with the proposed Sphere of Influence Update and Municipal Service Review.

A. PROJECT LOCATION

The area being studied is often referred to as the Nipomo Mesa. The Nipomo Community Services District is located along Highway 101 in the southern portion of San Luis Obispo County, California. The figure below shows the existing service area boundary and Sphere of Influence for the Nipomo Community Services District. These boundaries are currently coterminous. The total area of the District is an estimated six square miles. The District is responsible for providing most of the public services to these communities except for County provided services related to land use development, roads, streets, emergency response police/sheriff, and fire protection.

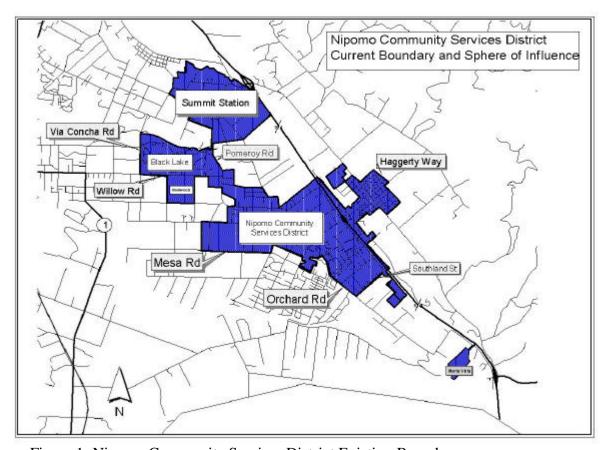


Figure 1: Nipomo Community Services District Existing Boundary

B. PROJECT DESCRIPTION

The Cortese/Knox/Hertzberg Act requires the Local Agency Formation Commission to update the Spheres of Influence for all applicable jurisdictions in the County. A Sphere of Influence is defined by Government Code 56425 as "a plan for the probable physical boundary and service area of a local agency or municipality as determined by the Local Agency Formation Commission." The Sphere of Influence usually represents an area adjacent to a jurisdiction where within the next twenty years development may be reasonably expected to occur. The Sphere of Influence for the NCSD does not identify or

define specific development projects or land uses for an area. In this case, the SOI represents the area the District may provide services to over the next 20 years. Extension of the Sphere of Influence enables the Nipomo Community Services District to extend various services to these areas in the future. As such, inclusion of an area within a Sphere of Influence of a utility provider represents the initial step in the future extension of services to the area and subsequent development of areas within the Sphere of Influence.

The Nipomo Community Services District is a multi-service special district formed on January 28, 1965 under the Community Services District Law, California Government Code Section 61000 et seq. The NCSD provides the residents and property owners within their approximately six square miles of service area with water and wastewater disposal services, garbage, and landscape watering. The District also provides Black Lake Golf Course with streetlighting and limited drainage services.

The Local Agency Formation Commission is required to update the Spheres of Influence in the County within five years or by January 1, 2006. The Act further requires that a Municipal Service Review be conducted prior to or concurrent with the update of a Sphere of Influence. The Municipal Services Review provides the means of evaluating the public services provided by the jurisdictions and the possible changes to their Spheres of Influence.

As part of their decision-making process, LAFCO is required to review and consider the potential environmental effects that could result from the proposed Sphere of Influence Update and Municipal Services Review. In order to identify what areas should be included in the District's SOI, eight Study Areas around the District's existing service area have been identified. The Study Areas are described in detail below. Accompanying each narrative description is an aerial photograph for each study area and surrounding lands. These discussions also address the zoning established in the South County Area Plan (SCAP) for each area as well.

Area #1. This area is located west of Highway 101 and north of the Urban Reserve Line for Nipomo with properties zoned Residential Rural and Agriculture. The properties are adjacent to Highway 101, just north of Nipomo's Urban Reserve Line and south of Summit Station. The Canada Ranch is a 285-acre parcel included in this area. The South County Area Plan calls for a Specific Plan to be prepared for this property. The Specific Plan may include a number of residential units along with commercial and retail uses. Also, the Canada Ranch is proposed as a commercial job center for Nipomo in the South County Area Plan. The SOI area also includes the extension of Willow Road. The County plans to construct the Willow extension to Highway 101 in the next several years. The District has waterlines located along Pomeroy and the million-gallon water tank (Stand Pipe) is also located in the area. The area also includes several existing residences near Pomeroy Road. The area is considered in the South County Area Plan as a "gateway" to the Nipomo community.

Area #2. This area is located to the north of Olde Towne and on the east side of Highway 101 and is broken into a large and a small area. The total acreage for both areas is a total of 132 acres and the zoning is Agriculture. The New Nipomo High School is located to

the northeast and the town of Nipomo to the south and east. The larger of the two properties is currently being farmed and it is considered to be Prime Agricultural land. Prime Agricultural Land is defined in the Cortese-Knox-Hertzberg Act as follows:

56064. "Prime agricultural land" means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

- (a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.
- (b) Land that qualifies for rating 80 through 100 Storie Index Rating.
- (c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Handbook on Range and Related Grazing Lands, July, 1967, developed pursuant to Public Law 46, December 1935.
- .(d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- (e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years. (Amended by Stats. 2000, Ch. 761.)

The area is also prone to flooding during storms and is in a flood hazard zone. It also includes an underlying antiquated subdivision of unknown legal status. The Nipomo Creek is located adjacent to Highway 101 on the southwest side of the property. The property has significant environmental constraints that would need to be addressed in the development and review process if development is to be considered for this site. The District has water and sewer infrastructure adjacent to the area.

Area #3. This area is located east of Highway 101 and south of Olde Towne Nipomo. Much of the land is within the Nipomo Urban Reserve Line as established by the County in the South County Area Plan. The only area being considered for inclusion into the SOI that is outside the Urban Reserve Line is an area between Thompson and the Nipomo Creek adjacent to Sparks Ave. This site is a small area that is zoned agriculture as the possible future site of a government center. Area three includes several land use categories, including; Residential Single Family, Residential Suburban, Agriculture and Recreation. The Dana Adobe site is located in an area that is zoned recreation. To protect the historic nature of the Adobe, the South County Area Plan has special development

standards for this area. The District currently provides the Adobe with water service under an agreement approved in 1972 between the District and the San Luis Obispo County Historical Society. The Area Plan recommends that a Specific Plan be completed to identify the appropriate civic related functions and related private uses that would be associated with a Civic Center.

Area #4. This area is located to the south of the current District boundary and north of the Santa Maria Valley. The area to the south of Southland Street is zoned Rural Lands; a portion of it is used for growing strawberries. The total area is approximately 1,173 acres. The South County Area Plan calls for a Specific Plan to be prepared for the site just south of and adjacent to Southland Street. The SCAP also calls for the application of the Highway 101 Corridor Design Standards as well as area standards that apply to the Rural Lands land use zone.

Area #5. This area is immediately southwest of the District's existing boundary and is zoned Residential Suburban and Residential Single Family. This area is also located within the County's Urban Reserve Line as established in the South County Area Plan. The area is largely built-out on 1 acre or more lots. The Galaxy Park development is located in this area and zoned residential single family. The SCAP calls for 2½-acre lots for the area adjacent to Osage Road from Mesa Road South to the end of Osage. Cal Cities Water and County Service Area 1 provide this area with water and sewer services respectively. The District and the County are discussing the reorganization of CSA 1 and the Nipomo Lighting District into the NCSD. The NCSD has indicated that it would provide the area with solid waste, park maintenance, and possibly landscape services, but not water service since Cal Cities Water Company already serves the area.

Area #6. The Woodlands development is over 900 acres and will include 1,300 residences, a commercial area and 45 holes of golf. It is located east and adjacent to Highway One and south of Willow Road. The Woodlands has been approved by the County through a Specific Plan and EIR and proposes to use existing groundwater resources to serve the future residents.

Area #7. This area is located west of the NCSD service area boundary east of the Woodlands project and Highway 1, and south of Willow Road. The area is zoned Residential Rural with two smaller parcels zoned agriculture. The area includes several greenhouses as well as a number of residential units on 5 acre lots and larger. The area is sparsely developed and the road system is in need of improvement. The NCSD's most productive wells are located in this area.

Area #8. This area is located on the west side of Highway 101, to the west of the Summit Station area, and south of Los Berros. The area is zoned Residential Rural and includes the Robertson General Plan Amendment which will allow for water service to existing residences that are currently trucking water into the area.

C. PROJECT OBJECTIVES

The primary objective of the proposed Sphere of Influence Update and Municipal Services Review is to permit the San Luis Obispo Local Agency Formation Commission

to implement the requirements of the Cortese/Knox/Hertzberg Act consistent with local conditions and circumstances. The major goals of the LAFCO as established by this legislation include:

- To encourage orderly growth and development which is essential to the social, fiscal and economic well being of the state;
- To promote orderly development by encouraging the logical formation and determination of boundaries and working to provide housing for families of all incomes:
- To discourage urban sprawl;
- To preserve open-space and prime agricultural lands by guiding development in a manner that minimizes resource loss;
- To exercise its authority to ensure that affected populations receive efficient governmental services;
- To promote logical formation and boundary modifications that direct the burdens and benefits of additional growth to those local agencies that are best suited to provide necessary services and housing;
- To make studies and obtain and furnish information which will contribute to the logical and reasonable development of local agencies and to shape their development so as to advantageously provide for the present and future needs of each county and its communities;
- To establish priorities by assessing and balancing total community services needs with financial resources available to secure and provide community services and to encourage government structures that reflect local circumstances, conditions and financial resources;
- To determine whether new or existing agencies can feasibly provide needed services in a more efficient or accountable manner and, where deemed necessary, consider reorganization with other single purpose agencies that provide related services;
- To update Spheres of Influence as necessary but not less than every five years and
- Conduct a review of all municipal services by county, jurisdiction, region, sub-region or other geographic area prior to, or in conjunction with, SOI updates or the creation of new SOIs.

D. PROJECT APPROVALS

The proposed Sphere of Influence Update and Municipal Services Review involves the following approvals from the San Luis Obispo Local Agency Formation Commission.

- 1. Certification of the Environmental Impact Report for the proposed Sphere of Influence Update and Municipal Services Review.
- 2. Approval of the Sphere of Influence Update
- 3. Approval of the Municipal Services Review

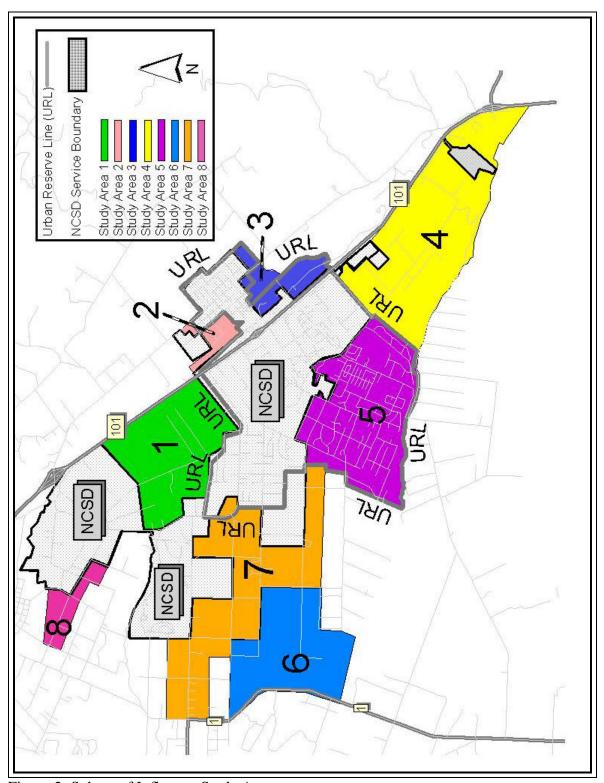


Figure 2: Sphere of Influence Study Areas

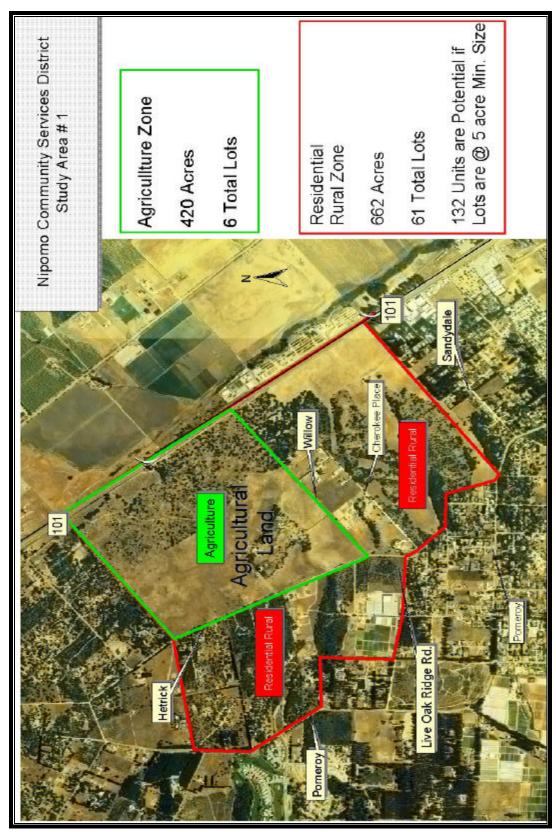


Figure 3: Study Area One

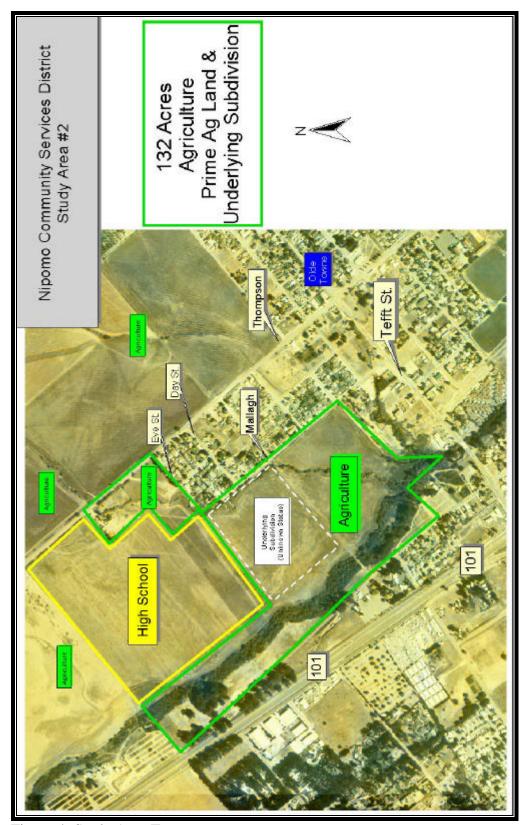


Figure 4: Study Area Two

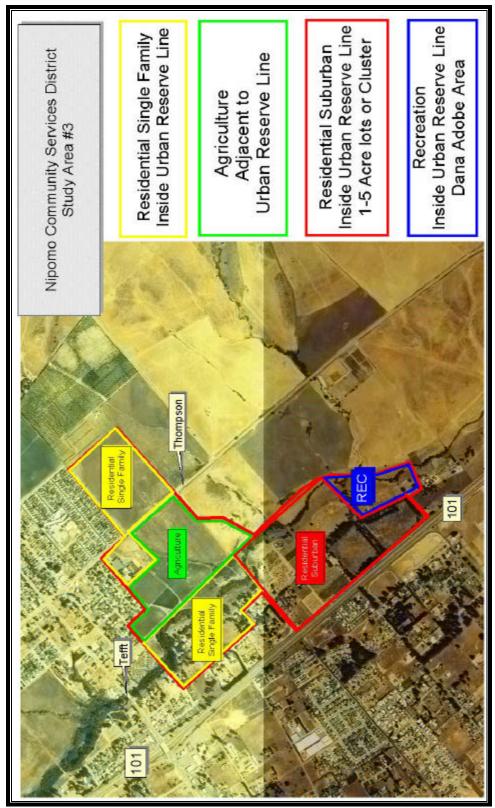


Figure 5: Study Area Three

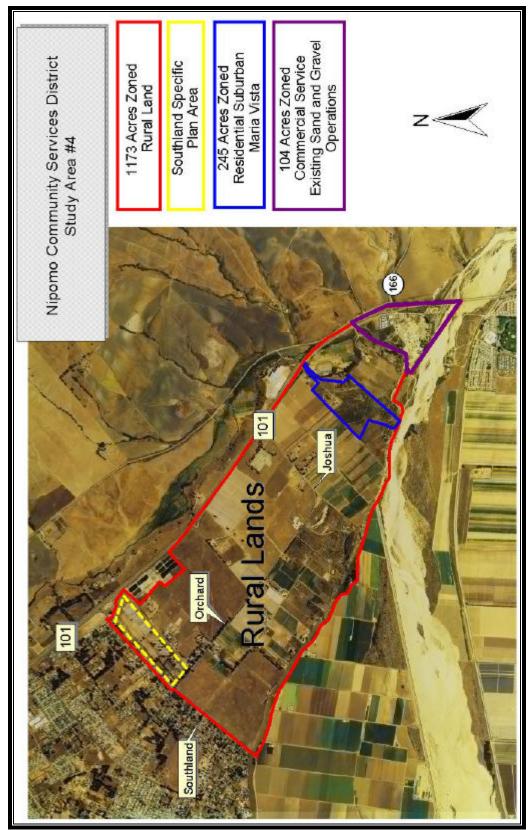


Figure 6: Study Area Four

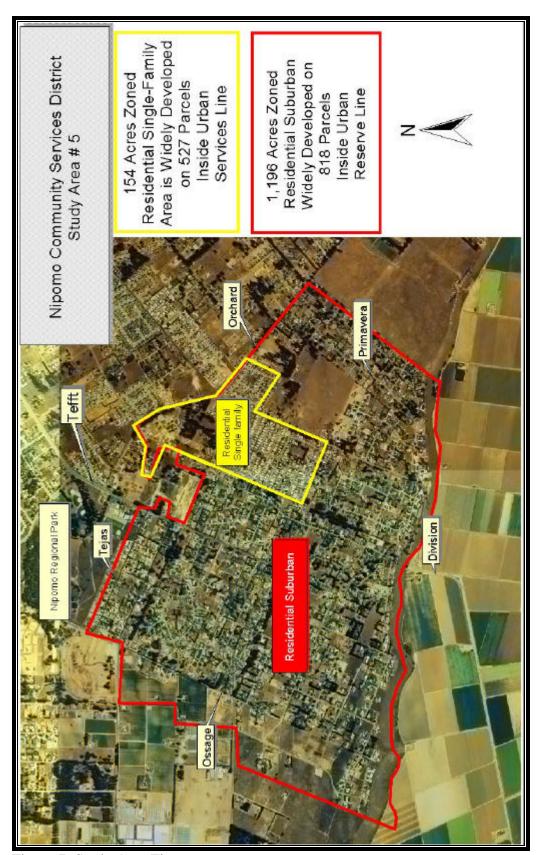


Figure 7: Study Area Five



Figure 8: Study Area Six

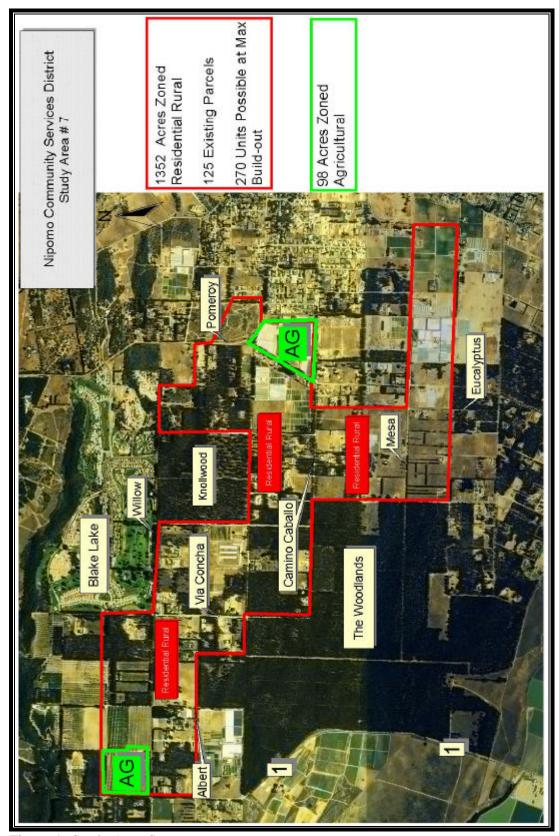


Figure 9: Study Area Seven

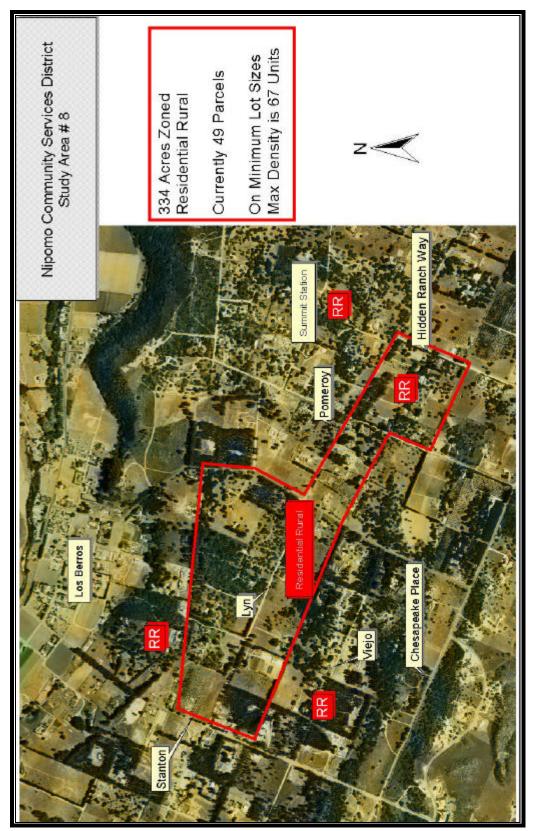


Figure 10: Study Area Eight

IV. EXISTING CONDITIONS

Background

The South County area is comprised of the San Luis Bay and South County land use planning areas (as defined by the County Planning Department); the cities of Arroyo Grande, Pismo Beach and Grover Beach and the unincorporated communities of Nipomo and Oceano. Much of the area, especially that portion closest to the coast, is tourist oriented, and a major destination for visitors from throughout California. Attractive destinations, such as the Pismo State Beach and Nipomo Dunes area, are valued recreational resources for county residents and outside visitors alike. Land uses within this large area are diverse, ranging from urban uses in the incorporated Five Cities area and surrounding the Tefft Street interchange on Highway 101 in Nipomo, to rural residential and agricultural uses in the foothill and Nipomo Mesa areas.

The Nipomo Mesa area lies within the South County Planning Area of the County of San Luis Obispo and is an unincorporated community of the County. The area-by-area description above provides information regarding the existing conditions of each area being considered for inclusion in the SOI.

Climate

The Nipomo area has mild temperatures year round. On average, temperatures rise to a high of 80 degrees and dip to 42 degrees.

Population

The Nipomo Community Services District serves approximately 10,000 people that reside within their service boundary. The census identified the total population for the Nipomo area as 12,626. The population inside the District is projected to increase minimally (10%). The growth in population in the eight areas being considered for inclusion in the Sphere of Influence depends on the type and density of development that occurs in those areas. If the Study Areas build out as currently zoned an estimated 5,000 people would be added to those areas over the next 20 years. This equates to a 2.5% per year growth rate in population.

Physiography

The Nipomo Mesa is the most prominent feature located in this area. The Mesa is bounded on the south by a steep bluff that rises to approximately 200 feet high near the southern boundary of the Nipomo Urban area. The bluff decreases in height as you move to the west and is only about 40 feet high at Highway 1. The Santa Maria River cuts into the bluff and travels west to the Pacific Ocean near Oso Flaco Lakes.

The northern portion of the Mesa is more irregular in shape and height. It is approximately 350 feet high at Nipomo Hill, 250 feet high east of Los Berros and about 300 feet high along the Dune Lakes to the northwest. Los Berros Creek cuts through the northeast portion of the Mesa and Arroyo Grande Creek shaped the northwest flank of the Mesa.

The surface of the Mesa is underlain by old (at least 40,000 years) sand dunes that predate the last Ice Age. The dune shapes are still evident in the surface topography of the Mesa. The dunes are characterized by linear ridges and intervening closed depressions. This topography and the sandy soils of the Mesa are an important factor in groundwater recharge.

Black Lake Canyon is designated as a sensitive resource area in the County General Plan and is located on the Mesa. This Canyon was apparently cut by sapping from a large spring or springs during the last Ice Age. The ponds and marshes in the Canyon support habitat and provide a source of water for wildlife in the area.

Biological Resources

The Nipomo Mesa Area has a variety of distinct vegetation and wildlife communities and significant biological features. Significant biological features are defined as plant or animal species of rare and/or endangered status, depleted or declining species, and species or habitat types of limited distribution such as wetlands. Major vegetative communities found in the Nipomo area are discussed below.

Nonnative Grassland. Nonnative grassland generally occurs in open areas interspersed among oaks on fine-textured loam or clay soils that are somewhat poorly drained. This vegetation is dominated by nonnative grasses and weedy annual and perennial forbs (non-grasses). Typical nonnative grassland species include wild oat, soft chess, red brome, long –beak filaree, red stem filaree and Italian rye grass.

Valley Oak Woodland. Valley oak woodland is an open-canopied woodland dominated by valley oak with a grassy understory. Individual trees may reach 115 feet in height and canopy cover is usually below 30-40 percent. Valley oak woodlands occur on well-drained, alluvial soils in valley bottoms and on non-alluvial soils in the South Coast and Transverse ranges. The habitat type occurs below 2,000 feet elevation in the Sacramento and San Joaquin valleys along the foothills of the Sierra Nevada, and the valleys of the Coast Ranges from Lake to Los Angeles Counties. Valley oak woodland intergrades with valley oak riparian forest near rivers and with blue oak woodland in drier locations. The resulting mixed forest may include valley and blue oak, with an understory of creeping wild rye and poison oak.

Blue Oak Woodland. Blue oak woodland intergrades with valley oak woodland, but generally occurs on drier slopes. This habitat varies in structure from open savanna to dense woodland. Blue oak woodland is typically found in the valleys and foothills of the southern and interior North Coast Ranges, in the South Coast ranges, and the western foothills of the Sierra Nevada. Characteristic species of this community include blue oak, valley oak, California buckeye (Aesculus californicus), digger pine (Pinus sabiniana), scrub oak (Quercus dumosa), California coffeeberry (Rhamnus californica), and buckbrush (Ceanothus cuneatUS).

Disturbed Oak Woodland. Disturbed oak woodland generally includes remnants of woodland communities that were more widespread prior to the advent of agriculture or urbanization. A variety of native and nonnative grass and shrub species occur in the

understory and between trees. Typically, this association occurs on roadsides, railroad rights-of-way, vacant lots, and the margins of agricultural lands.

Eucalytus Woodland. Eucalyptus woodland is typically represented by dense stands of gum trees (*Eucalyptus spp.*). Plants in this genus, imported primarily from Australia, were originally planted in groves throughout many regions of coastal California as a potential source of lumber and building materials and for their use as windbreaks. They have increased their cover through natural regeneration, particularly in moist areas sheltered from strong coastal winds. Gum trees, commonly referred to as eucalyptus, readily naturalized in the state and, where they form dense stands, tend to completely supplant native vegetation, greatly altering community structure and dynamics. Very few native plant species are compatible with eucalyptus.

Central Coast Live Oak Riparian Forest. Central Coast live oak riparian forest is an open, low riparian forest dominated by coast live oak (*Quercus agrifolia*). This association occurs on drier, slightly elevated floodplains along perennial streams, and typically occupies a transitional zone between more moist cottonwood or willow-dominated communities and the more dry chaparral vegetation types. Central Coast live oak riparian forest occurs in canyon bottoms and on floodplains throughout the South Coast and Transverse ranges from Sonoma County to near Point Conception. Characteristic shrub or understory species include coyote bush (*Baccharis pilularis* ssp. *consanguniea*), buckbrush, desen elderberry, (*Sambucus mexicana*), southern honeysuckle (*Lonicera subspicata* var. johnstonii), California rose (*Rosa californica*), wild blackberry (*rub us ursinus*), mugwon (*Artemisia douglasiana*), and poison oak.

Central Coast Cottonwood-Sycamore Riparian Forest. Central Coast cottonwood-sycamore riparian forest is a riparian habitat dominated by western sycamore (*Platanus racemosa*) and Fremont's cottonwood (*Populus /remondi*). This association typically occupies coarse soils of the floodplains of sub-perennial streams. Cover is nearly complete and a dense thicket of shrubs may form in the understory. Central Coast cottonwood- sycamore riparian forest occurs in canyons and creeks throughout the South Coast. Characteristic species include western sycamore, Fremont's cottonwood, California buckeye, coast live oak, and arroyo willow (*SaIIx lasiolepis*).

Central Coast Riparian Scrub. Central Coast riparian scrub is a willow-dominated riparian community that forms a dense low thicket on sandy soils close to river channels with a high water table. This association represents an early seral community that may be succeeded by any of several riparian woodland or riparian forest vegetation types. Central Coast riparian scrub is distributed along perennial and intermittent streams of the South coast ranges from the San Francisco Bay to near Point Conception.

Central Maritime Chaparral. Central maritime chaparral is composed of a variety of shrubs to about nine feet in height that form a moderate to high cover. This plant association occupies sandy soils along the immediate coast within the fog incursion zone and occurs in scattered populations from Monterey County to northern Santa Barbara County. Characteristic species include chamise (*Adenostoma fasciculatum*), Morro manzanita (*Arctostaphylos morroensis*), coyote bush (*Baccharis*), mock heather

(Ericameria ericoides), sticky monkeyflower (Diplacus aurantiacus), black sage (Salvia melli/era), poison oak, California coffeeberry, coast live oak, and California sagebrush (Artemesia californica).

Freshwater Seep. Freshwater seep occurs throughout most of the state and is particularly common in permanently moist soils in grasslands and meadows. It is usually dominated by perennial herbs such as sedges and grass that form a complete cover. Typical freshwater seep vegetation includes Mexican rush (*Juncus mexicanus*) with lesser amounts of nodding stipa (*Stipa cernua*), long- beak fllaree (*Erodium botT*)'s), and soft chess (*Bromus mollis*).

Water Resources

The water supply situation in Nipomo has been the subject of much debate and study in recent years. Rapid growth over the last decade has placed the District, residents and the community in an uncertain situation. The key question being: Will the groundwater basin be able to supply enough water to the area in the face of increased levels of growth and development? To answer this question, a number of studies have been performed regarding the Santa Maria Groundwater Basin over the last several years. These studies include and are incorporated herein by reference:

- ?? Water Resources of Arroyo Grande Nipomo Mesa, 2002, Department of Water Resources
- ?? Nipomo Community Services District-Draft Urban Water Management Plan, April 2003
- ??? Water and Sewer System Master Plan 2001 Update, Boyle Engineering Corporation for the NCSD
- ?? Water Resources Management Study for the Woodlands, Cleath and Associates, 1996
- ?? San Luis Obispo County Master Water Plan, 2001
- ??? Annual Resource Summary Report, County of San Luis Obispo 2000-2003

The following section is based on the information found in the above studies and is a summary of that data.

The only source of water currently used by the NCSD to serve the approximately 10,000 people in the Nipomo area is from the District's nine wells extracting water from the Nipomo hydrologic subarea of the Santa Maria Groundwater Basin.

The Santa Maria Groundwater Basin underlies more than 280 square miles (181,790 acres) in the southwestern corner of San Luis Obispo County and the northwestern corner of Santa Barbara County. Only a portion of the groundwater basin is within San Luis Obispo County, about 61,220 acres. Within the San Luis Obispo County, the main Santa

Maria Basin underlies about 49,910 acres; Arroyo Grande Valley Sub-basin, 3,860 acres; Pismo Creek Valley Sub-basin, 1,220 acres; and Nipomo Valley Sub-basin, 6,230 acres. Both the surface area and the underlying permeable sediments form the basin.

Within San Luis Obispo County, the main Santa Maria Basin is bounded on the north and east by the Wilmar Avenue fault, separating it from Arroyo Grande Valley, Pismo Creek Valley, and Nipomo Valley Sub-basins. The western boundary of the basin is the Pacific Ocean, although the basin is hydraulically continuous offshore beneath the ocean. On the south, the county line with Santa Barbara County forms a political boundary within the basin, but it has no hydraulically physical significance to the groundwater system.

The Arroyo Grande Valley Sub-basin is bounded by the alluvial contact with older geologic units between Lopez Dam and the Wilmar Avenue fault. The Pismo Creek Valley Subbasin is bounded by the alluvial contact with older geologic units between the southern boundary of Edna Basin, where bedrock narrows the creek channel, and the Wilmar Avenue fault. The Nipomo Valley Subbasin is bounded on the north and east mainly by the contact of the older alluvium and Orcutt Formation with older geologic units and is separated from the main basin on the west by the Wilmar Avenue fault. The southern boundary of the subbasin, which is the watershed boundary for Nipomo Creek, is the study area boundary.

The potentially water-bearing sediments of the groundwater basin are underlain by bedrock. The bedrock base of the groundwater basin is vertically displaced across the Oceano, Santa Maria River, and Wilmar Avenue faults.

Groundwater occurs within the pore spaces in the semi-consolidated to unconsolidated sediments filling the basin to a maximum thickness of about 1,600 feet under the Santa Maria River. In the main groundwater basin, these deposits include the Squire Member of the Pismo Formation; the Careaga, Paso Robles, and Orcutt Formations; alluvium; and dune sands. These sediments consist of discontinuous sedimentary layers or lenses of varying composition, texture, and thickness, ranging from clays to boulders.

The main groundwater basin is considered a composite aquifer system of unconfined conditions, with localized semi-confined to confined conditions and perched zones. Discontinuous clayey layers separate the multiple aquifer zones. The most productive and developed aquifers are in the alluvium and Paso Robles Formation. Aquifers in the Squire Member of the Pismo Formation and the Careaga Formation have, over time, become more important.

In Arroyo Grande Valley and Pismo Creek Valley Sub-basins, groundwater occurs in the alluvium, ranging in thickness from negligible to a maximum of about 175 feet in Arroyo Grande Valley Sub-basin. Groundwater is mainly unconfined. In some parts of the sub-basins, the alluvium may be saturated only during rainfall.

In Nipomo Valley Sub-basin, groundwater occurs in the older alluvium, which covers the floor of the valley up to about 90 feet thick, thinning to negligible thickness toward the eastern edges of the sub-basin. Groundwater in the older alluvium is unconfined with

local semi-perched conditions. The older alluvium stores a notable amount of groundwater and continues to supply some wells, although the older alluvium may be saturated only during rainfall at the eastern edges of the sub-basin. The bedrock formations underlying the older alluvium have, over time, become a more important source of groundwater supply in Nipomo Valley Sub-basin.

Both natural and incidental sources recharge groundwater in the main Santa Maria Basin. Stream infiltration, deep percolation of direct precipitation, and subsurface inflow are sources of natural recharge. Incidental recharge to the basin includes deep percolation of urban and agricultural return water, treated wastewater returns, and septic tank effluent.

Stream infiltration from Arroyo Grande Creek, regulated by Lopez Dam since 1969, and from unregulated Pismo Creek recharges the Tri-Cities Mesa - Arroyo Grande Plain portion of the main groundwater basin. Stream infiltration from Santa Maria River, regulated in part by Twitchell Dam since 1958, recharges the Santa Maria Valley portion of the main basin. The amount of recharge is related to the availability of streamflow.

Recharge to the groundwater basin by deep percolation of direct precipitation is intermittent, occurring during and immediately following periods of sufficient precipitation and varying from year to year depending on amount and frequency of rainfall, air temperature, land use, and other factors. Because no surface water flows into Nipomo Mesa, deep percolation of direct precipitation is the major source of natural recharge.

Unfortunately, even after a great deal of study there remains uncertainty with regard to the extent of water available from the groundwater basin in the Nipomo area. The NCSD has taken recent actions to manage this situation by; 1) completing an alternative water supply study in 2001, 2) Drafting an Urban Water Management Plan and 3) adopting an annexation policy that addresses the supplemental water situation on a specific, case by case basis.

The Nipomo Mesa has minimal areas of surface water due to the sandy soil that allows water to penetrate into the ground a rapid rate. The ponds along Black Lake Canyon are the key surface water resources in the area. These ponds are recharged from two sources; 1) precipitation and 2) irrigation runoff.

Land Use

The Nipomo Mesa has a variety of land uses located throughout the area. There are large areas of land being used for agricultural purposes to the South, West, and East of the town of Nipomo. These uses include strawberry farming, greenhouses, orchards, seed production, equine facilities, and cattle. Much of the property directly west of Nipomo Urban Reserve Line (Area #7) is zoned Residential Rural and is foreseen by the General Plan as being an urban separator. The zoning of the area generally reflects this diversity of land uses. The map of the following page shows the land uses for the Nipomo Mesa and South County Area.

The circulation system in the Nipomo area consists of regional highways, arterials, collector and local streets. U.S. 101 is a multi-lane highway that serves as a principal north and south route between San Francisco and Los Angeles. Highway 101 provides access to many communities in San Luis Obispo County including Nipomo. In the Nipomo area 101 has four travel lanes with access provided into the town via Tefft Street. Los Berros Road to the north provides another access point, but it is utilized much less then Tefft Street. Willow Road is an arterial roadway that begins at Pomeroy Road on the east and extends west to Guadalupe Road. State Highway 1 merges with Willow at Guadalupe Road and is a two-lane road that travels south towards the town of Guadalupe. Orchard Road is an arterial that travels adjacent to Highway 101 and goes south from Tefft Street to the Maria Vista development. Division travels from Orchard to the east and Highway 1. Local roadways in the area include Albert Way, Via Concha, Amador Way, Sun Dale Way, Viva Way, Westwind Way, Calle Fresa, Dawn Road, Pomeroy Road, Camino Caballo, Mesa Road, and Banneker Place.

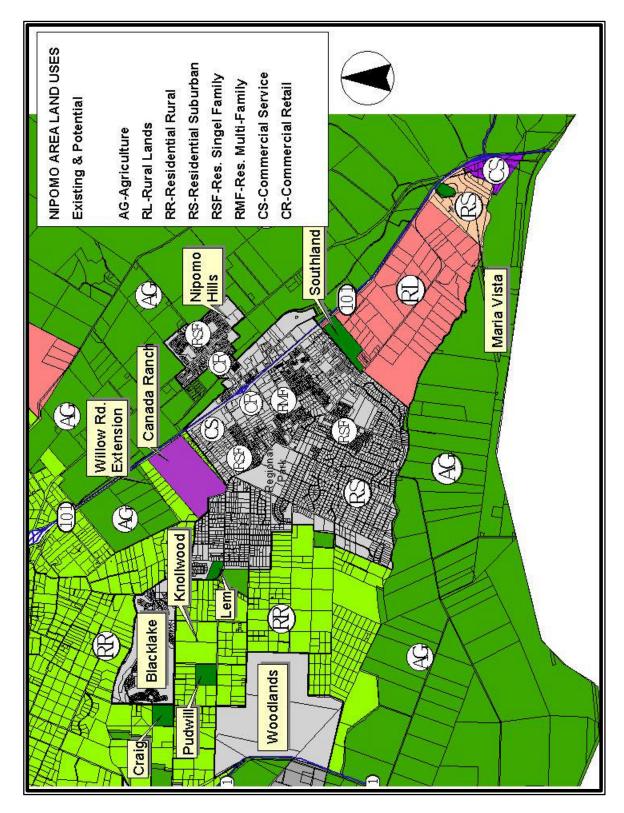


Figure 11: Land Use in Nipomo Mesa Area

Transportation and Circulation.

The South County area is served by a incomplete network of roads in the rural areas, and many local and collector streets within the Nipomo urban area. The principal arterial route is State Highway 101 running north and south through the length of the study area. The north/south route of State Highway 1 serves the western side of the study area. State Highway 166 enters the study area in the southeast corner and terminates at Highway 101. Highway 166 extends to the east crossing the Coastal Range and connecting to Interstate 5 in the Central Valley.

Highway 1 is specifically mentioned in the California Coastal Act of 1976. The State Legislature's intent is to maintain Highway 1 as a scenic two-lane road in rural areas. This provision applies to all areas outside the Urban Services Line in the current General Plan and Local Coastal Plan. The Coastal Commission has permitted only limited operational improvements in rural areas. The Nipomo Urban Services Line does not come near Highway 1 and none of the Village areas are considered "urban" for purposes of this application.

The functional classification system contained in the Circulation Element of the General Plan provides a definition of Arterial, Collector, and Local Roads. For the purposes of the South County Circulation Update, the roads in the South County were broken into Principal Arterial, Minor Arterial, Collector, and Local. This slightly different functional classification system was used by the South County Circulation Update to provide a greater level of detail regarding roadway characteristics. The following definitions are from the <u>Highway Capacity Manual Chapter 11</u>.

Principal Arterials serve major through movements between important centers of activity in a metropolitan area and a substantial portion of trips entering or leaving the area. A principal arterial also connects freeways with major traffic generators. In small cities (under 50,000), its importance is derived from the service provided to traffic passing through the urban area. Service to abutting land is subordinate to the function of moving through traffic.

Minor Arterials are facilities that connect and augment the principal arterial system. Although minor arterials' main function is still traffic mobility, the function is performed at a somewhat lower level and more emphasis is placed on land access than the principal arterial. A system of minor arterials serves trips of moderate length and distributes travel to geographical areas smaller than those served by the principal arterial.

The map in the figure on the next page is from the South County Circulation Study and shows the key streets and roads in the Nipomo Area.

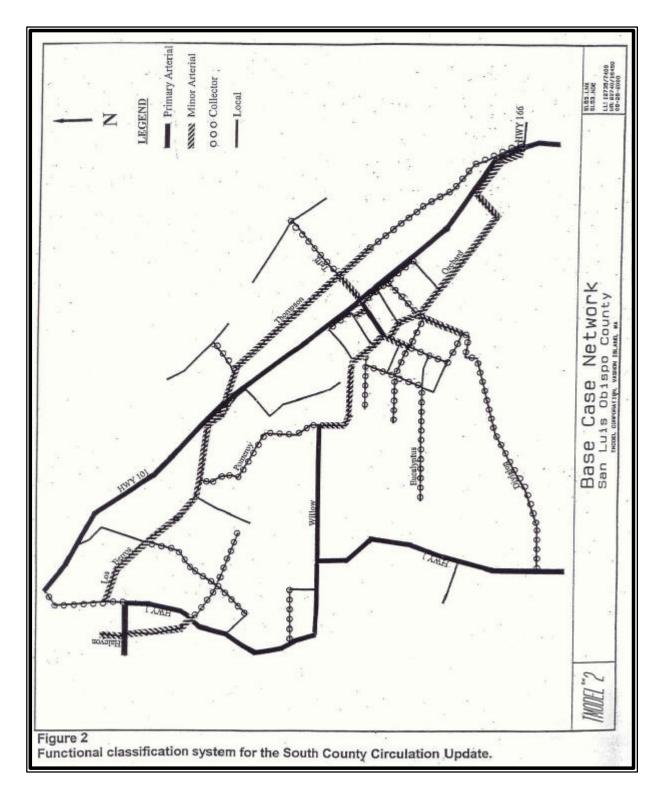


Figure 12: Major Roads and Streets

V. ENVIRONMENTAL EVALUATION

The following pages contain a checklist based on the format presented in Appendix G of the State CEQA Guidelines. The checklist was used to identify physical changes in the environment which may result from implementation of the proposed project. Impact assessments result in the determination of either "No Impact," "Less-Than-Significant Impact," "Potentially Significant Unless Mitigation Incorporated" or "Potentially Significant Impact."

The determination of "No Impact" applies where the impact is not applicable to the project under consideration. For example, if the project site is not located proximate to areas of volcanic activity then the item asking whether the project would result in or expose people to potential impacts involving volcanic hazards should be marked as "no impact."

The determination of "Less-Than-Significant Impact" applies where the impact would occur, but the magnitude of the impact is considered insignificant or negligible. For example, a development which would only slightly increase the amount of surface water runoff generated at a project site would be considered to have a less-than-significant impact on surface water runoff.

"Potentially Significant Unless Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less-Than-Significant Impact." Incorporated mitigation measures are noted within the summary discussion immediately following the checklist item with a detailed discussion of the mitigation measure and how it reduces the impact to a less-than-significant level provided in Section VI. Impacts and Mitigation Measures of this Initial Study. This designation is appropriate for a Mitigated Negative Declaration, where potentially significant issues have been analyzed and mitigation measures have been recommended.

The determination of "Potentially Significant Impact" applies where the project impact has the potential to cause a significant environmental impact and there are not sufficient mitigations available to reduce these impacts to a less than significant level. If there are one or more items remaining as "Potentially Significant Impact," on the checklist, an EIR is required.

In many cases, potential project impacts are identified as "no impact" or "less-thansignificant impact." The summary discussion following the checklist item provides the basis for this determination. Checklist items identified as "potentially significant unless mitigation is incorporated" or "potentially significant impact" are discussed in greater detail in the subsequent discussion titled "Substantiation" as well as in Section VI. Environmental Determination of this Initial Study.

ENVIRONMENTAL CHECKLIST

LAND USE AND PLANNING. Would the proposal:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Conflict with general plan designation or zoning?	E	Æ.	E	Ø
b) Conflict with applicable environmental plans or policies adopted by agencies with jurisdiction over the project?	Ø.	<u> </u>	Æ.	Æ.
c) Be incompatible with existing land use in the vicinity?	Ø	Ø.	E	Æ.
d) Affect agricultural resources or operations (e.g., impacts to soils or farmlands or impacts from incompatible land uses)?	K	Ø.	Æ.	Æ.
e) Disrupt or divide the physical arrangement of an established community (including a low- income or minority community)?	Æ.	&	Æ	Æ.

Substantiation:

a. Potentially Significant Impact. The proposed Sphere of Influence Update and Municipal Service Review may conflict with the County of San Luis Obispo's General Plan and may lead indirectly to changes in the South County Area Plan of the County's General Plan. It is unknown what specific changes or development projects may be proposed because of the expansion of the Sphere of Influence (SOI). Areas that are outside the County's Urban Reserve Line are not intended to received urban level services such as water, sewer and lighting. The South County Area Plan (SCAP) intends for some of these areas to remain rural in character and to be used as urban separators for the various "villages" in the area. Study Areas where this could be an issue include Area 1, 4, 7, and 8. It should be noted that the SOI would not however cause a change in zoning or an increase in density. An increase in density in the SOI Study Areas would first require a zoning change in the form of a General Plan Amendment. A General Plan Amendment would study a variety of land use and environmental issues before being approved or denied including; community character and compatibility, existing Land Use policies, traffic and circulation impacts, the provision of public services, etc. This process entails significant public involvement and the implementation of CEQA. The SOI is one factor among many that needs to be considered prior to a zoning change being approved. Other actions such as approval of a Specific Plan, Conditional Use permit or an Annexation may also be needed prior to an area being served by the District. However, inclusion of an area within a Sphere of Influence of a utility provider represents the initial step in the future extension of services to an area and may represent the elimination of a potential constraint upon future development in that area.

b. Potentially Significant Impact. The proposed project may indirectly conflict with any environmental plans or policies adopted by agencies with jurisdiction over the project area. Environmental plans that apply to the project area include the County General Plan, the Clean Air Plan (Air Pollution Control District), Water Quality Control Plan-Basin

Plan (Regional Water Quality Control Board) and the Regional Transportation Plan (Council of Governments). Expanding the SOI could cause indirect impacts to the policies and standards in these plans. The SOI would not directly impact these plans.

c. Less-Than-Significant Impact. The proposed project would not directly result in any changes in land use for the involved properties. The proposed project could, however, represent the first step in development of any undeveloped property in the SOI. The precise nature and extent of future development within the proposed SOI is subject to speculation and cannot be determined at this time. Any future development of the areas within the SOI would require a number of steps, including but not limited to a General Plan Amendment, Specific Plan preparation, Conditional Use Permit approval, and Annexation approval by LAFCO. These future discretionary approvals will require the preparation and certification of additional environmental documentation (CEQA) to address these potential land use and planning impacts.

d. Potentially Significant Impact. The Sphere of Influence may be extended into existing agricultural lands, areas adjacent to existing agricultural farmlands, and rural lands being used for agricultural purposes. The proposed project could represent the first step in the development for property in these areas. Future development of this property could adversely impact any agricultural operations in adjacent areas at that time. However, the precise nature and extent of future development of these properties cannot be determined at this time. Study Areas that may be affected include; #1, #2, #3, #4, and #7.

e. No Impact. The proposed project will not divide or disrupt any established community.

Sources: Nipomo Community Services District Sphere of Influence Update and Municipal Service Review, County's General Plan and South County Area Plan, Clean Air Plan, Regional Transportation Plan.

POPULATION AND HOUSING. Would the proposal:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Cumulatively exceed official regional or	Æ	Ø	Ø	Ø
local population projections? b) Induce substantial growth in an area either directly or indirectly (e.g., through projects in an undeveloped area or extension of major infracturatura)?	Ø.	ÆS	E	L
infrastructure)?c) Displace existing housing, especially affordable housing?	E	L	Ø	Ø

Substantiation:

a. No Impact. The proposed Sphere of Influence Update and Municipal Service Review for the District would not directly generate any new population or housing thereby not exceeding any regional or local population projections. Expanding the District's Sphere of Influence may cause an increase in population by inducing growth in areas where public services had not been previously available. However, it is unknown if the growth

would be consistent with the existing South County Area Plan, or if a General Plan Amendment might be proposed to increase the density of a particular property or area.

b. Potentially Significant Impact. The proposed project would not directly induce any significant population or housing growth in the area. The proposed project could, however, represent the first step in development of undeveloped areas within the SOI by extending public services to these areas. Future development of these properties could result in the generation of additional population and requests for zone changes that increase the number of houses constructed in a given area. However, the precise nature and extent of future development in those areas within the SOI cannot be determined at this time. The SOI will not directly cause a change in zoning, or an increase in density. An increase in density would first require a zoning change in the form of a General Plan Amendment. A General Plan Amendment would study a variety of land use and environmental issues before being approved or denied by the County Board of Supervisors, including; community character and compatibility, existing Land Use policies, traffic and circulation impacts, the provision of public services, etc. This process entails significant public involvement and the implementation of CEQA.

c. No Impact. The proposed project would not displace any existing housing.

Sources: Nipomo Community Services District Sphere of Influence Update and Municipal Service Review, County's General Plan and South County Area Plan, Clean Air Plan, Regional Transportation Plan.

GEOLOGICAL PROBLEMS. Would the proposal result in or expose people to potential impacts involving:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Fault rupture?	Ø	Ø.	Æ	Æ
b) Seismic ground shaking?	Ø	Ø	£	Ł
c) Seismic ground failure, including liquefaction?	E	Ø	Ø.	Æ
d) Seiche, tsunami, or volcanic hazard?	E	Ø	Ø	Æ
e) Landslides or mudflows?	Ø	Ø.	Ł	Æ.
f) Erosion, changes in topography or unstable soil conditions from excavation, grading, or fill?	Æ.	<u> </u>	Ø.	Æ.
g) Subsidence of the land?	Ø	Ø.	Ł	Æ.
h) Expansive soils?	Ø	Æ.	Ø.	Æ
i) Unique geologic or physical features?	Ø	K	K	Æ

Substantiation:

a. No Impact. The proposed Sphere of Influence Update and Municipal Service Review will not directly result in or expose people to fault rupture.

- b. No Impact. The proposed project will not directly result in or expose people to seismic groundshaking.
- c. No Impact. The proposed project will not directly result in or expose people to seismic ground failure including liquefaction.
- d. No Impact. The proposed project will not directly result in or expose people to tsunamis and seiches. No areas of known volcanic activity are in proximity to the project area.
- e. No Impact. The proposed project will not directly result in or expose people to any landslides or mudflows.
- f. No Impact. The proposed project will not directly result in or expose people to potentially significant erosion and sedimentation.
- g. No Impact. The proposed project will not directly impact or expose people to areas with a potential for seismically-induced settlement.
- h. No Impact. The proposed project will not directly impact or expose people to any potentially expansive soils.
- *i. No Impact.* The proposed project will not directly impact any unique or geological features.
- a-i. Although the proposed Sphere of Influence Update and Municipal Service Review does not directly expose people to risk of a geologically related event, the proposed project could represent the first step in the development of the areas within the SOI. Future development of this property could adversely impact geological resources in these areas. Future discretionary approvals such as Specific Plans, General Plan Amendments, Conditional Use Permits, and Annexations, etc. will require the preparation and certification of additional environmental documentation to address these potential geological impacts on a site-specific basis. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

ATER. Would the proposal result in:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impac
a) Changes in absorption rates, drainage patterns or the rate and amount of surface runoff?	Æ.	Æ	L	Ø
b) Discharge into surface waters or other alteration of surface water quality (e.g., temperature, dissolved oxygen or turbidity)?		Æ	Ł	Ø
c) Changes in the amount of surface water in any water body?		Ø	£	Æ.
d) Changes in currents or the course or direction of water movements?	L	Ø	£	Æ
e) Change in the quantity of ground waters, either through direct additions or withdrawls, or through interception of an aquifer by cuts or excavations or through substantial loss of ground water recharge?	Æ	£	Z.	Æ.
f) Altered direction or rate of flow of groundwater?	K	E	Ø.	Æ
g) Impacts to groundwater quality?	Æ.	Æ.	L	Æ
h) Substantial reduction in the amount of groundwater otherwise available for public water supplies?	Æ	E	L	Ø

- a. Potentially Significant Impact. The proposed Sphere of Influence Update and Municipal Services Review could contribute indirectly to changes in absorption rates or alterations of existing drainage patterns. Expanding the District's Sphere of Influence may cause indirect impacts by inducing growth to areas where public services had not been previously available. However, it is unknown if the growth would occur, or if it would be consistent with the existing South County Area Plan or if a General Plan Amendment might be proposed to increase the density of a particular property or area.
- b. No Impact. The proposed project will not directly result in the alteration of the composition of surface runoff.
- c. No Impact. The proposed project will not directly result in changes in the amount of surface water in any water body.
- d. No Impact. The proposed project will not directly result in changes in the currents or the course or direction of water movement.
- e. Potentially Significant Impact. The Sphere of Influence (SOI) is the intended physical extent of a jurisdiction's future service area. Properties within the SOI are expected to receive public services from the District including water service. The District currently withdraws approximately 2,500 acre-feet of water annually from the Nipomo Subarea of

the Santa Maria Groundwater Basin to serve its existing service area. This Subarea of the Basin is considered to be "stressed" in the best-case scenario and in overdraft in the worst case. This groundwater basin is in the process of being adjudicated. The outcome of this process will allocate the groundwater resources to the various organizations and individuals involved. The outcome of the adjudication is uncertain at this point in time, but it appears the Courts are not likely to increase the District's water allocation above the 2,500 acre feet. The District may need to activate water wells on the east side of Highway 101 to meet the water needs of existing and future residents. These wells are known to in a geologic "hard rock" or fractured area which is not considered to be a reliable long-term source of water.

f-g. Potentially Significant Unless Mitigated. The proposed project will not directly involve the addition or withdrawal of groundwater and will not directly result in the change in the quantity of available groundwater. The proposed project could, however, represent the first step in the ultimate development of undeveloped areas within the SOI by extending public services to theses areas. Future development of these areas could result in the need for increased water resources in a given area. This process entails significant public involvement and the implementation of CEQA. The SOI is one factor among many that needs to be considered prior to a zoning change being approved. It also should be noted that a property within the District's SOI could be developed under existing zoning and standards either by using another water provider or by using on-site wells.

h. Less Than Significant Impact. Recent analysis of the District's water situation indicates that while the District may be able to obtain supplemental water sources sometime in the future, there is uncertainty surrounding the availability of the potential sources. The District has completed studies with regard to alternative water sources and list the City of Santa Maria, hardrock drilling, and desalination as primary future water sources with an agreement with the City of Santa Maria appearing to be the most likely to occur. The pipeline to the District from the City is expected to be hung from the Highway 101 Bridge over the Santa Maria River when improvements are made to the bridge by Caltrans beginning in 2005. Negotiations between the City and the District are on-going, however there are several legal hurdles that must be cleared prior to water being piped into the District.

a-h. Although the proposed Sphere of Influence Update and Municipal Services Review does not directly impact any water resources, the proposed project could represent the first step in the development of areas included in the SOI. Future development of these areas could adversely impact water resources in these areas. Future discretionary approvals (Specific Plan, Development Plan, Annexation, etc.) will require the preparation and certification of additional environmental documentation to address these potential impacts to water resources. However, the precise nature and extent of future development in those areas within the SOI cannot be determined at this time. However, inclusion of an area within a Sphere of Influence of a utility provider represents the initial step in the future extension of services to an area and may represent the elimination of a potential constraint upon future development in that area. The SOI will not directly cause a change in zoning or an increase in density. An increase in density would first require a

zoning change in the form of a General Plan Amendment. A General Plan Amendment would study a variety of land use and environmental issues before being approved or denied including; community character and compatibility, existing Land Use policies, traffic and circulation impacts, the provision of public services (water), etc.

Sources: Nipomo Community Services District Sphere of Influence Update and Municipal Service Review, County's General Plan, South County Area Plan, Safety Element, Clean Air Plan, Regional Transportation Plan, Annual Resource Summary Report, 2002, NCSD Water and Sewer System Master Plan 2001 Update, NCSD Evaluation of Water Supply Alternatives, 2001, Water Resources of the Arroyo Grande – Nipomo Mesa Area, Department of Water Resources, 2002

AIR QUALITY. Would the proposal:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Violate any air quality standard or contribute to an existing or projected air quality violation?	Æ	Ø.	L	Ø
b) Expose sensitive receptors to pollutants?	Ø	Ø	Æ	Ø
c) Alter air movement, moisture or temperature or cause any change in climate?	Ø	Ø	Ø	E
d) Create objectionable odors?	Æ.	E	E	Ø

- a. Less Than Significant Impact. The proposed Sphere of Influence Update and Municipal Services Review will not directly generate any air pollutants and will, therefore, not violate any air quality standards or contribute to an existing or projected air quality violation. It would be speculative to attempt to project or estimate the levels of pollutants caused by expanding the SOI. Proposed development projects will be required to identify impacts to air quality and mitigate any potentially significant impacts. Future approvals needed may include a General Plan Amendment, a Conditional Use Permit, a Specific Plan, or an Annexation. All of these actions are subject to CEQA and would require air quality impact analysis.
- b. No Impact. Given the lack of significant short- or long-term air pollutant generation, the proposed project will not result in the exposure of sensitive receptors to air pollutants. It would be speculative to attempt to project or estimate the exposure of sensitive receptors to pollutants caused by expanding the SOI.
- c. No Impact. The proposed project will not directly alter air movement, moisture, temperature or cause a change in climate.
- d. No Impact. The proposed project will not create objectionable odors that would impact adjacent areas.

a-d. Although the proposed Sphere of Influence Update and Municipal Service Review does not directly impact air quality, the proposed project could represent the first step in the development of the areas in the Sphere of Influence. The proposed project makes the extension of public services to these areas probable over the next 20 years, increasing the likelihood of development. Future development of these areas could result in adverse impacts to the air resources in a given area. However, the precise nature, density and extent of future development and impacts in those areas within the SOI cannot be determined at this time. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation. The SOI will not directly cause a change in zoning or an increase in density. An increase in density would first require a zoning change in the form of a General Plan Amendment. Future discretionary approvals (Specific Plan, Development Plan, Annexation, etc.) will require the preparation and certification of additional environmental documentation to address these potential impacts to air resources. Continued growth in the area could cause an increase the number of vehicle trips leading to higher emissions.

Sources: Nipomo Community Services District Sphere of Influence Update and Municipal Service Review, County's General Plan, South County Area Plan, Safety Element, Clean Air Plan, Regional Transportation Plan

TRANSPORTATION/CIRCULATION. Would the proposal result in:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Increased vehicle trips or traffic congestion?	Ø	Ø.	Ø	Ø
b) Hazards to safety from design features (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	Ø.	Æ	Ø	Æ
c) Inadequate emergency access or access to nearby uses?	Ø.	E	Ø	Ø
d) Insufficient parking capacity on-site or off- site?	Ø.	E	Ø	Ø
e) Hazards or barriers for pedestrians or bicyclists?	Æ.	E	Æ.	Ø
f) Conflicts with adopted policies supporting alternative transportation (e.g., bus turnouts, bicycle racks)?	Æ.	Æ.	£	Æ.
g) Rail, waterborne or air traffic impacts?	Ø	Ø	E	Æ

Substantiation:

a. Potentially Significant Impact. The proposed Sphere of Influence Update and Municipal Service Review could contribute to increased vehicle trips or congestion that cause a potentially significant impact. The SOI can increase the likelihood of development in an area by enabling a property or properties to receive public services upon annexation to the NCSD. Future development of these areas could result in increased vehicle trips and congestion impacts to certain areas. However, the precise

nature, density and extent of future development and the associated impacts in those areas within the SOI cannot be determined at this time. The SOI will not directly cause a project to be constructed, a change in zoning or an increase in density. A development project or increase in density through a zone change would first require a zoning change in the form of a General Plan Amendment. Future discretionary approvals (Specific Plan, Conditional Use Permit, Annexation, etc.) will require the preparation and certification of additional environmental documentation to address these potential impacts to transportation and circulation. Continued growth in the area could cause an increase the number of vehicle trips leading to a degradation of the Levels of Service on the roadways.

- b. Less than significant impact. The proposed project will not directly result in design features which will create hazards to traffic safety. Unknown indirect impacts may be caused by the expansion of the SOI because of the potential growth inducing impacts of providing public services such as water and sewer.
- c. Less than significant impact. The proposed project will not directly result in impacts to emergency access or access to adjacent land uses. Unknown indirect impacts may be caused by the expansion of the SOI because of the potential growth inducing impacts of providing public services such as water and sewer.
- d. Less than significant impact. The proposed project will not directly result in the loss of available parking on any roadways or parking lots. Unknown indirect impacts may be caused by the expansion of the SOI because of the potential growth inducing impacts of providing public services such as water and sewer.
- e. Less than significant impact. The proposed project will not directly result in the blockage of pedestrian and bicycle routes and will not create any hazards to pedestrians or bicyclists. Unknown indirect impacts may be caused by the expansion of the SOI because of the potential growth inducing impacts of providing public services such as water and sewer.
- f. Less than significant impact. The proposed project will not conflict with any adopted alternative transportation polices. Unknown, indirect impacts may be caused by the expansion of the SOI because of the potential growth inducing impacts of providing public services such as water and sewer.
- g. Less than significant impact. The proposed project will not impact any existing rail, waterborne or air traffic operations. Unknown, indirect impacts may be caused by the expansion of the SOI because of the potential growth inducing impacts of providing public services such as water and sewer.
- a-g. Although the proposed Sphere of Influence Update and Municipal Services Review does not directly impact any Transportation/Circulation systems, the proposed project could represent the first step in the development in the areas located in the Sphere of Influence. Future development of these areas could adversely impact transportation and circulation systems in these areas. Future discretionary approvals (Specific Plan,

Conditional Use Permits, Annexations, etc.) will require the preparation and certification of additional environmental documentation to address these potential impacts to transportation and circulation systems. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

Sources: Nipomo Community Services District Sphere of Influence Update and Municipal Service Review, County's General Plan, South County Area Plan, Safety Element, Clean Air Plan, Regional Transportation Plan, South County Circulation Study, 2002

BIOLOGICAL RESOURCES. Would the proposal result in:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Endangered, threatened or rare species or	Ø.	Æ	Ø	Æ
their habitats (including but not limited to plants, fish, insects, animals, and birds)?				
b) Locally designated species (e.g., heritage	K	Ø	K	Ø
trees)?			_	
c) Locally designated natural communities (e.g., oak forest, coastal habitat, etc.)?	Æ.	E	E	E
d) Wetland habitat (e.g., marsh, riparian and vernal pool)?	E	Æ.	E	Ø
e) Wildlife dispersal or migration corridors?	Ø	Ø	Ø	Ł
f) Adopted conservation plans and policies (e.g., Resource Management Plan)?	Æ	K	Æ	Ø

Substantiation:

a.-f Less than significant impact. The proposed Sphere of Influence Update and Municipal Service Review will not directly result in impacts to any endangered, threatened or rare species or their habitats. Unknown, indirect impacts may be caused by the expansion of the SOI because of the potential growth inducing impacts of providing public services such as water and sewer. The SOI can increase the likelihood of development in an area by enabling a property or properties to receive public services upon annexation to the NCSD. Future development of these areas could result in impacts to habitats of endangered, rare or threatened species. However, the precise nature, density and extent of future development and the associated impacts in those areas within the SOI cannot be determined at this time. The SOI will not directly cause a project to be constructed, a change in zoning or an increase in density. Although the proposed Sphere of Influence Update and Municipal Service Review does not directly impact any biological resources, the proposed project could represent the first step in the development of the properties in the Sphere of Influence. Future development of these areas could adversely impact biological resources in these areas. Future discretionary approvals (Specific Plan, Conditional Use Permit, Annexation, etc.) will require the preparation and certification of additional environmental documentation to address these potential impacts to biological resources. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

Sources: Nipomo Community Services District Sphere of Influence Update and Municipal Service Review, County's General Plan, South County Area Plan, Safety Element, Clean Air Plan, Regional Transportation Plan, South County Circulation Study, 2002, Woodlands Specific Plan and Environmental Impact Report

ENERGY AND MINERAL RESOURCES. Would the proposal:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Conflict with adopted energy conservation plans?	Ø.	K	Ø	Ø
b) Use non-renewable resources in a wasteful and inefficient manner?	Æ	Æ.	L	K
c) Result in the loss of availability of a known mineral resource that would be of future value to the region and the residents of the State?	Æ.	E	Æ.	L

Substantiation:

- a. No Impact. The proposed Sphere of Influence Update and Municipal Services Review does not conflict with adopted energy conservation programs.
- b. No Impact. The proposed project will not require the use of or directly impact any available non-renewable resources.
- c. No Impact. There are no known mineral resources within the project area. The proposed project will have no direct impact on the availability of known mineral resources that would be of future value to the region and the residents of the State.
- a-c. Although the proposed Sphere of Influence Update and Municipal Services Review does not directly impact any energy and mineral resources, the proposed project could represent the first step in the development of the properties in the SOI. Future development of these areas could adversely impact energy and mineral resources in these areas. Future discretionary approvals (Specific Plan, General Plan Amendments, Conditional Use Permits, Annexation, etc.) will require the preparation and certification of additional environmental documentation to address these potential impacts to energy and mineral resources. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

HAZARDS. Would the proposal involve:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) A risk of accidental explosion or release of hazardous substances (including but not limited to: oil, pesticides, chemicals or radiation?	<u>K</u>	Ø.	Æ.	Æ.
b) Possible interference with an emergency response plan or emergency evacuation plan?	Æ	Ø	E	Ø
c) The creation of any health hazard or potential health hazard?	Æ.	Æ.	Æ.	Ø
d) Exposure of people to existing sources of potential health hazards?	Æ	Æ.	E	Ø
e) Increased fire hazard in area with flammable brush, grass, or trees?	Ø.	Ø	Ø.	E

- a. No Impact. The proposed Sphere of Influence Update and Municipal Services Review will not directly involve the risk of an accidental explosion or release of hazardous materials.
- b. No Impact. The proposed project will not interfere with any emergency response or evacuation plans.
- c. No Impact. The proposed project will not involve the creation of any health hazards or potential health hazards.
- d. No Impact. The proposed project will not involve the exposure of people to existing sources of potential health hazards.
- e. No Impact. The proposed project will not involve any increased fire hazards in areas with flammable vegetation.
- a.-e. Although the proposed Sphere of Influence Update and Municipal Services Review does not directly create any hazards, the proposed project could represent the first step in the development of the areas in the SOI. Future development of these areas could create hazards in these areas. Future discretionary approvals (Specific Plan, Conditional Use Permits, Annexation, etc.) will require the preparation and certification of additional environmental documentation to address these potential impacts regarding the creation of a hazard. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

NOISE. Would the proposal result in:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Increases in existing noise levels?	Ø	Æ.	Ø	Ø
b) Exposure of people to severe noise levels?	E	Ø	£	Ł

a. No Impact. The proposed Sphere of Influence Update and Municipal Service Review will not directly result in the creation of any construction- or project-related noise.

b. No Impact. The proposed project will not directly result in the creation of noise and will, therefore, not expose people to severe noise levels.

a.-b. Although the proposed Sphere of Influence Update and Municipal Service Review does not directly create any noise impacts, the proposed project could represent the first step in the development of the areas in the SOI. Future development of these areas could create adverse noise impacts in these areas. Future discretionary approvals (Specific Plan, Conditional Use Permits, Annexations, etc.) will require the preparation and certification of additional environmental documentation to address potential noise impacts. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

PUBLIC SERVICES. Would the proposal have an effect upon or result in a need for new or altered government services in any of the following areas:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Fire protection?	Ł	Ø.	Æ.	Ø
b) Police Protection?	Ł	E	E	Ø
c) Schools?	L	Ø.	Æ.	Ø
d) Maintenance of public facilities, including roads?	E	Æ	Ø	Ø.
e) Other governmental services?	Ł	E	Æ.	Æ

- a. Potentially Significant Impact. The California Department of Forestry (County Fire/CDF) will be the agency responsible for provision of fire protection services to the properties into which the NCSD's Sphere of Influence is proposed to be extended. The proposed Sphere of Influence Update and Municipal Service Review is not expected to have a direct impact upon fire protection services. Unknown, indirect impacts may be caused by the expansion of the SOI because of the potential growth inducing impacts of providing public services such as water and sewer. However, the precise nature, density and extent of future development and the associated impacts in those areas within the SOI cannot be determined at this time. The SOI will not directly cause a project to be constructed, a change in zoning or an increase in density. Although the proposed Sphere of Influence Update and Municipal Service Review does not directly impact the provision of Fire Protection services, the proposed project could represent the first step in the development of the properties in the Sphere of Influence. Future development of these areas could increase the need for fire protection services in these areas. Future discretionary approvals (Specific Plan, Conditional Use Permit, Annexation, etc.) will require the preparation and certification of additional environmental documentation to address these potential impacts to the provision of fire protection services. The Safety Element of the County's General Plan indicates that basic fire protection and response needs in the Nipomo area are met by providing a minimum level of structural fire protection. However, Nipomo's protection and response needs are greater than other areas because of the combination of wooded and urban areas that come together in this part of the County. The element also states that fire protection services can be improved by adding equipment, increasing water supplies, and continuing to add full-time fire fighting personnel to augment volunteer forces.
- b. Potentially Significant Impact. The County Sheriff will be the agency responsible for provision of law enforcement services to the properties into which the NCSD's Sphere of Influence is proposed to be extended. The proposed project could have an indirect impact upon police protection services by inducing increased growth and population in the area. Increasing the number of patrol personnel and available equipment can offset this impact. However, the precise nature, timing and extent of this growth is unknown at this time.
- c. Potentially Significant Impact. The Lucia Mar Unified School District will continue to be the agency responsible for schools and educational services to the properties into which the NCSD's Sphere of Influence is proposed to be extended. The proposed project may indirectly impact schools by inducing growth in the area over the next 20 years. However, the precise nature, timing and extent of this growth is unknown at this time.
- d. Potentially Significant Impact. The proposed project may indirectly impact local roadways due to construction activities and the maintenance of roads needed due to the increased use and the need for new roads caused by increased growth and development. However, it should be noted that the precise nature, timing and extent of this growth is unknown at this time.

e. Less than significant Impact. The County of San Luis Obispo is the agency responsible for provision of general government services to the properties being consider for inclusion into the NCSD's Sphere of Influence. The proposed project will have no direct impact upon governmental services.

a.-e. Although the proposed Sphere of Influence Update and Municipal Service Review does not directly impact any public services, the proposed project could represent the first step in the development of the areas in the Sphere of Influence. Future development of these areas could adversely impact public services in these areas. Future discretionary approvals will require the preparation and certification of additional environmental documentation to address potential public services impacts. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

Sources: Nipomo Community Services District Sphere of Influence Update and Municipal Service Review, County's General Plan, South County Area Plan, Safety Element, Clean Air Plan, Regional Transportation Plan, South County Circulation Study, 2002

UTILITIES AND SERVICE SYSTEMS. Would the proposal result in a need for new systems or supplies or substantial alternations to the following utilities:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Power or natural gas?	Ø	Ø	K K	Ø
b) Communications systems?	Ø	Ø	K K	Ø
c) Local or regional water treatment or distribution facilities?	K K	Æ	E	Ø
d) Sewer or septic tanks?	K K	E	L	Ø.
e) Storm water drainage?	Ø	Ø	£	Ø
f) Solid waste disposal?	Ø	Ø	K K	Ø
g) Local or regional water supplies?	K K	Ø	Ł	E

Substantiation:

a. Less Than Significant Impact. The proposed Sphere of Influence Update and Municipal Service Review would not directly generate the need for increased amount of electrical power or natural gas. Unknown, indirect impacts may be caused by the expansion of the SOI because of the potential growth inducing impacts of providing public services such as water and sewer.

b. Less Than Significant Impact. The proposed project would not involve the use of communications systems. Unknown, indirect impacts may be caused by the expansion of the SOI because of the potential growth inducing impacts of providing public services such as water and sewer.

- c. Potentially Significant Impact. The Nipomo Community Services District is the agency responsible for the provision of water supplies to properties proposed for inclusion in the Sphere of Influence. The District would also be responsible for the maintenance of the water distribution system to serve the properties proposed for inclusion in the Sphere of Influence. The District currently receives its water supply from wells located in the Nipomo Subarea of the Santa Maria Groundwater Basin.
- d. Potentially Significant Impact. Although the proposed Sphere of Influence Update and Municipal Service Review does not directly impact any utilities and service systems, the proposed project could represent the first step in the development for areas in the SOI. Future development of these areas could adversely impact utilities and service systems in these areas. Future discretionary approvals will require the preparation and certification of additional environmental documentation to address potential utilities and service systems impacts. The other changes proposed for the jurisdictions SOI's are for areas that have already been developed.
- e. Less Than Significant Impact. The District and the County would be the agencies responsible for provision of storm water drainage services for the properties within the Sphere of Influence. The proposed project will not directly result in the addition of impervious surfaces which would increase storm water drainage flows. Unknown, indirect impacts may be caused by the expansion of the SOI because of the potential growth inducing impacts of providing public services such as water and sewer.
- f. Less than Significant Impact. South County Sanitation Company will remain the solid waste hauler to the properties into which the District's Sphere of Influence is proposed to be extended. The proposed project will not directly generate solid waste.
- g. Potentially Significant Impact. The District would likely provide water to the areas included the SOI and this may eventually result in adverse impacts to local or regional water supplies. Future development of these properties could result in the need for increased water resources in a given area. This process entails significant public involvement and the implementation of CEQA. The SOI is one factor among many that needs to be considered prior to a zoning change being approved. It also should be noted that a property within the District's SOI could be developed under existing zoning and standards either by using another water provider or by using on-site wells.

Recent analysis of the District's water situation indicates that while the District may be able to obtain supplemental water sources sometime in the future, there is uncertainty surrounding the availability of the potential sources. The District has completed studies with regard to alternative water sources and list the City of Santa Maria, hardrock drilling, and desalination as primary future water sources with an agreement with the City of Santa Maria appearing to be the most likely to occur. The pipeline to the District from the City is expected to be hung from the Highway 101 Bridge over the Santa Maria River when improvements are made to the bridge by Caltrans beginning in 2005. Negotiations between the City and the District are on-going, however there are several legal hurdles that must be cleared prior to water being piped into the District.

a.-g. Although the proposed Sphere of Influence Update and Municipal Service Review does not directly impact any utilities and service systems, the proposed project could represent the first step in the development of the areas within the SOI. Future development of these areas could adversely impact utility and service systems in these areas. Future discretionary approvals will require the preparation and certification of additional environmental documentation to address potential utilities and service systems impacts. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

Sources: Nipomo Community Services District Sphere of Influence Update and Municipal Service Review, County's General Plan, South County Area Plan, Safety Element, Clean Air Plan, Regional Transportation Plan, South County Circulation Study, 2002

AESTHETICS. Would the proposal:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Affect a scenic vista or scenic highway?	Æ	Ø	Ł	Æ.
b) Have a demonstrable negative aesthetic effect?	Æ	Ø	Ø	Æ
c) Create light or glare?	Ø	E	Ø	Ø

- a. No Impact. The proposed Sphere of Influence Update and Municipal Services Review will not result in any impacts to views from any roadways or adjacent land uses.
- b. No Impact. The proposed project will not have any impacts upon views and will, therefore, have no demonstrable aesthetic impacts.
- c. No Impact. The proposed project will not involve the addition of any lighting and will, therefore, not create any potential light and glare impacts.
- a.-c. Although the proposed Sphere of Influence Update and Municipal Service Review does not directly impact any visual resources, the proposed project could represent the first step in the development of areas in the Sphere of Influence. Future development of these areas could adversely impact visual resources in these areas. Future discretionary approvals will require the preparation and certification of additional environmental documentation to address potential aesthetics impacts. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

Sources: Nipomo Community Services District Sphere of Influence Update and Municipal Service Review, County's General Plan, South County Area Plan, Safety Element, Clean Air Plan, Regional Transportation Plan, South County Circulation Study, 2002

CULTURAL RESOURCES. Would the proposal:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Disturb paleontological resources?	Ø	Ø	Ø	Ø
b) Disturb archaeological resources?	Ø	Ø	Ø	Ø
c) Affect historical resources?	Ø	Ø	Ø	Ø
d) Have the potential to cause a physical change which would affect unique ethnic cultural values?	£	<u> </u>	Ø.	Æ
e) Restrict existing religious or sacred uses within the potential impact area?	L	E	Ø	Æ.

Substantiation:

- a. No Impact. The proposed Sphere of Influence Update and Municipal Services Update will not disturb or impact any recorded or observed paleontological resources.
- b. No Impact. The proposed project will not disturb or impact any recorded or observed archaeological resources.
- c. No Impact. The proposed project will not have any direct impact on any recorded or observed historical resources.
- d. No Impact. The proposed project will not cause any physical changes that could impact unique ethnic cultural values.
- e. No Impact. The proposed project will not restrict any existing religious or sacred uses.
- a.-e. Although the proposed Sphere of Influence Update and Municipal Services Review does not directly impact any cultural resources, the proposed project could represent the first step in the development of areas within the SOI. Future development of these areas could adversely impact cultural resources in these areas. Future discretionary approvals will require the preparation and certification of additional environmental documentation to address potential cultural resources impacts. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

RECREATION. Would the proposal:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
a) Increase the demand for neighborhood or regional parks or other recreational facilities?	Ø	Ø.	Ø.	Ø
b) Affect existing recreational opportunities?	Ø	Ø	Ł	Ø

a. No Impact. The proposed Sphere of Influence Update and Municipal Service Review will not directly generate any new population or housing thereby not creating any demand for parks or other recreational facilities.

b. No Impact. The proposed project will not directly generate any new population or housing thereby not impacting any existing recreational opportunities.

a.-b. Although the proposed Sphere of Influence Update and Municipal Services Review does not directly create any recreation impacts, the proposed project could represent the first step in the development of the areas within the SOI. Future development of these areas could adversely impact recreation facilities in these areas. Future discretionary approvals will require the preparation and certification of additional environmental documentation to address these potential recreation impacts. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

MANDATORY SIGNIFICANCE	FINDINGS	OF	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less-Than- Significant Impact	No Impact
degrade the q substantially rec wildlife species population to dre threaten to eli community, redu range of a rare of eliminate impor	project have the potent uality of the enviror luce the habitat of a fi , cause a fish or we op below self-sustaining minate a plant or a uce the number or restrict endangered plant or ani- trant examples of the rnia history or prehistory	iment, ish or ildlife levels, unimal ct the mal or major	Ø	K	发发	K
individually considerable? means that the i are considerable with the effects	project have impacts the imited but cumula ("Cumulatively considerncemental effects of a property when viewed in connection of past projects, the effect or ojects."	rable" oroject ection ects of	E E	Ø.	Z	Æ.
which will cause	ect have environmental of substantial adverse effether directly or indirectly	cts on	Æ	Ł	发发	Ø.

a. Less Than Significant Impact. Establishing the Sphere of Influence has the potential to degrade the quality of the environment by impacting water resources, transportation and circulation, and inducing growth in the area. However, the specific impacts of including properties within the SOI are unknown at this time. It is speculative to project the growth inducing impacts that may or may not be caused by including properties within the SOI.

b. Potentially Significant Impact. The proposed project could indirectly result in changes in land use for areas within the Sphere of Influence. The proposed project could, however represent the first step in the development for these areas. The precise nature and extent of future development of these areas within the Sphere of Influence cannot be determined at this time. Any future development of these areas will require approval of an Annexation to the appropriate jurisdiction, a possible General Plan Amendment or Specific Plan, detailed Development Plans or a Conditional Use Permit. These future discretionary approvals will require the preparation and certification of additional environmental documentation to address future cumulative growth impacts. The Program EIR represents the first-tier environmental document for these related actions. Once the Program EIR is prepared, subsequent activities within this program must be evaluated in order to determine the extent of the required additional CEQA documentation.

c. Potentially Significant Impact. The proposed project is not expected to directly cause substantial adverse effects on human beings, however indirect impacts could occur if the project is growth inducing.

VI. ENVIRONMENTAL DETERMINATION

On the basis of this initial evaluation:

I find that the proposed project COULD NOT have a significant effect on the environment and a NEGATIVE DECLARATION will be prepared.	K
I find that although the project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described in this document have been added to the project. A NEGATIVE DECLARATION will be prepared.	Æ
I find that the project MAY have a significant effect on the environment and an ENVIRONMENTAL IMPACT REPORT is required.	జ జ
I find that the project MAY have a significant effect(s) on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards and 2) has been addressed by mitigation measures based on an earlier analysis. If the effect is a potentially significant impact or potentially significant unless mitigated, an ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that need to be addressed.	Æ
I find that although the proposed project could have a significant effect on the environment, there WILL NOT be a significant effect in this case because all potentially significant effects (a) have been analyzed adequately in an earlier EIR pursuant to applicable standards and (b) have been avoided or mitigated pursuant to that earlier EIR, including project revisions or mitigation measures that are imposed upon the proposed project.	Æ

Within the Initial Study, several environmental issues were identified as "potentially significant impacts." The determination of "potentially significant impact" applies where the project impact has the potential to cause a significant environmental impact and there are not sufficient mitigations available to reduce these impacts to a less than significant level. If there are one of more items remaining as "Potentially Significant Impact," on the checklist, an EIR is required. At this stage, mitigation measures for these impacts have not been developed. Any applicable mitigation measures in response to these potentially significant impacts will be included within the Program EIR. San Luis Obispo Local Agency Formation Commission:

Signature	Date
Printed Name	

VII. CERTIFICATION

I hereby affirm to the best of my knowledge, based on available information provided to me through specialist's technical reports, public documents and original research, analysis and assessments, the statements and information contained within this environmental document are true and correct to the degree of accuracy necessary for public disclosure purposes in accordance with Public Resources Code Section 21003, 21061 and 21100.

Paul Hood Executive Officer San Luis Obispo Local Agency Formation Commission